

5 August 2010

METRIC PROPERTY INVESTMENTS PLC

("Metric" or the "Company")

INTERIM MANAGEMENT STATEMENT

Metric Property Investments plc (LSE: METP), a UK specialist retail real estate investment trust ("REIT"), today announces its interim management statement for the period to 4 August 2010.

Highlights:

- Successfully completed a £190 million flotation on the main market of the London Stock Exchange on 24 March 2010 at 100p per share, becoming the first UK property company to enter the REIT regime at its IPO debut
 - Issuance oversubscribed, exceeding original target of £150 million
- Became a member of the FTSE Small Cap Index effective 21 June 2010
- Approximately £48 million of net IPO proceeds invested or committed since flotation:
 - Made first acquisition, Damolly Retail Park, Newry for £31.5 million and, within weeks, announced that Mothercare had been secured as a tenant on the remaining vacant space, increasing the average rent across the park from £12.70 to £14.10 psf
 - Acquisition of Launceston Retail Park, Launceston, announced this morning, for £13.5 million, reflecting a deemed initial yield of 5.86%
- With remaining firepower in excess of £280 million (including anticipated debt), Metric is well-positioned to take advantage of investment opportunities arising from current market conditions.

Andrew Jones, Chief Executive of Metric, commented:

"Our purchase of Launceston Retail Park, announced this morning, complements our existing investment in Newry and satisfies the key investment criteria we set out at the time of the IPO. Both properties offer significant opportunities for our active programme of asset management initiatives to grow rental income, which we aim to deliver over the short to medium-term.

"Our extensive experience in the retail property market, together with our substantial financial firepower, leaves us well placed to continue to exploit the increasing amount of investment opportunities becoming available. We continue to assess a significant pipeline of potential acquisitions but will only make investments where our key returns criteria are met and we are confident that the investment will perform in a softening market."

Market Update

Capital value growth in the UK retail investment market has continued its upward trajectory albeit at a more subdued pace over 2010, compared to the second half of 2009. According to the IPD All Retail Quarterly Index, average monthly capital growth has declined to just 0.6% over the last three months.

In light of the weakening economic outlook, we believe that inward yield movements have largely run their course and capital returns will become more reliant on improving rental performance. As a result, yields on prime product are likely to remain broadly flat but we expect to see outward yield movements on secondary retail property with shorter unexpired income streams.

The retail occupier market continues to be weak overall with the IPD All Retail Quarterly Index reporting rental value declines of 3.7% year-on-year, with shopping centres and standard retail seeing declines of 4.8% and 4.7%, respectively, compared with retail warehouses at -2.8%. We believe that true net effective rents show a worse position and expect this to become more visible going forward. However, some retailers are trading well and taking advantage of market weaknesses to increase market share and improve their store portfolios. Against this backdrop, Metric's bottom-up, occupier-led model is crucial, with a focus on acquiring well-let retail investments off low rents. Here our focus is on ensuring that retailers are able to trade profitably and to generate a high level of occupier contentment, enabling us to grow rents through our active asset management programme and thereby continue to exploit the arbitrage between current income and sustainable rents.

Acquisitions

To date, we have invested or committed approximately £48 million of our net IPO proceeds on property acquisitions, leaving us with firepower in excess of £280 million, including anticipated debt. We completed the acquisition Damolly Retail Park, Newry in July for £31.5 million, and this morning we have announced the simultaneous exchange and completion of Launceston Retail Park, Launceston for £13.5 million. In line with our investment strategy, both deals offer opportunities to grow rents from a low base of £13.20 psf (average across the portfolio), benefit from long unexpired lease lengths, (averaging 14.3 years across the schemes), and have no voids, with Mothercare taking the last vacant unit at Newry. Strong occupier demand at both schemes will allow us to execute profitable asset management opportunities over the short to medium-term and grow rental values.

With the investment market continuing to offer significant opportunities, we are in exclusive negotiations with a number of private property companies to acquire assets off-market. At the same time, we acknowledge that the market could soften so we remain alert, disciplined and rigorous in deciding to which opportunities we are prepared to commit the Company's money.

Finance

We have used the Company's existing cash resources to finance our acquisitions to date and will refinance with debt once we have invested a significant portion of our net IPO proceeds.

The debt market continues to be very receptive to the Metric proposition and, since our IPO, we have received encouraging indications in our discussions with various banks that debt margins are reducing. Our aim is to secure debt financing to increase our firepower without burdening the Company with undue costs in its initial investment phase. We remain in active dialogue with a number of lending institutions regarding our future debt requirement and will keep the market informed when developments are made.

-Ends-

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About Metric Property Investments

Metric Property Investments plc ("Metric") is a UK retail focused real estate investment trust (REIT) managed by a highly experienced team led by Andrew Jones, Valentine Beresford, Mark Stirling and Sue Ford. Metric was established in early 2010 as an investor in retail assets located across the UK. By placing the occupier and their needs at the centre of its strategy, the company seeks to generate attractive returns for shareholders led by sustainable income and capital appreciation achieved through the active management of its portfolio. Metric was listed on the main market of the London Stock Exchange plc (LSE ticker: METP) in March 2010.

For further information on Metric, please visit www.metricproperty.co.uk